

# Michigan Land Bank

## FAQs

**Q** *What is the Michigan Land Bank Fast Track Authority (MLB)?*

**A** It is a State authority created by Public Act 258 of 2003 with the mission promoting economic growth in the State through the acquisition, assembly, and disposal of public property, including tax reverted property, in a coordinated manner to foster the development of that property, and to promote and support land bank operations at the county and local levels.

**Q** *Does the MLB have a list of properties that are available?*

**A** Yes, you can access available properties through our "Property Search" link on our website [www.michigan.gov/landbank](http://www.michigan.gov/landbank). From there you can search for either Tax Reverted Property or Mortgage Foreclosed Property by County, City or Township, Address, Keyword, or Parcel number.

**Q** *I found a property that I am interested in purchasing, what is the next step?*

**A** The next step is to submit an application with the required documentation. Applications can be found on our homepage at [www.michigan.gov/landbank](http://www.michigan.gov/landbank), or you can call (517) 335-8212, to have one mailed to you.

**Q** *Can I bid on this property?*

**A** No. We have an application process, not a bidding process. However, you are welcome to submit an offer for consideration on the application.

**Q** *How do I locate a property with no address?*

**A** Contact the local city or township Assessor's office and give them the parcel number to obtain more information on a property.

*Continued on reverse side*



*Strengthening Communities  
One Parcel at a Time*

# Michigan Land Bank

## Did You Know?

- The Michigan Land Bank has tax and mortgage foreclosed properties available for sale statewide?
- The Michigan Land Bank has sold and returned over 2,000 properties to the tax rolls, generating more than \$4.9 million in revenue and increasing the tax base of local municipalities?
- The Michigan Land Bank acts as a mechanism to transform surplus public land back to productive use for the community?
- The Michigan Land Bank leases property for the purpose of creating gardens and green space in your neighborhood?
- The Michigan Land Bank is part of a twelve city, seven land bank consortium that was awarded \$223 million in federal grant money, earning the following accolade:

*"This is not only the largest single grant we are making, it was the best single application we received...A remarkable, remarkable application."*

— HUD Secretary Shaun Donovan

- The Michigan Land Bank has a strategic demolition program that was hailed as a national model and is listed on HUD's website as best practices?
- The Michigan Land Bank has a small specialized staff ready to help you with your economic and community development needs?

**[www.michigan.gov/landbank](http://www.michigan.gov/landbank)**

State of Michigan Land Bank Fast Track Authority • (517) 335-8212



*Strengthening Communities  
One Parcel at a Time*



# Michigan Land Bank

## FACT SHEET

### *Economic Development Tools*

- The MLB has the authority to strategically acquire, assemble and dispose of property for less than fair market value.
- The MLB may take any action required to clear or quiet title to property it holds, including, but not limited to, expedited quiet title and foreclosure action.
- As a State Authority, the MLB is granted the Right of First Refusal to purchase tax foreclosed property before the County or local municipalities.
- The property of the MLB and its income and operation are exempt from all taxes and special assessments by state and local government.
- The MLB has the ability to compete for or gain access to state or federal funding, creating a capacity to assist state-wide.
- The MLB has the authority to enter into Intergovernmental Agreements with county and city\* governments to create local land banks as separate legal entities and public bodies corporate.

The MLB is quickly becoming the go to resource for public land in the State of Michigan. For more information on acquiring property or utilizing the MLB's economic development tools, feel free to contact the main line at 517-335-8212, and a friendly associate will be more than happy to assist.

*\* Detroit is the only city that meets the definition of "qualified city" in 2003 PA 258*

**[www.michigan.gov/landbank](http://www.michigan.gov/landbank)**

State of Michigan Land Bank Fast Track Authority ▪ (517) 335-8212

### *Our Mission*

*The State of Michigan Land Bank Fast Track Authority (MLB) is an autonomous state agency, with the mission of promoting economic growth in the State through the acquisition, assembly, and disposal of public property, including tax reverted property, in a coordinated manner to foster the development of that property, and to promote and support land bank operations at the county and local levels.*



*Strengthening Communities  
One Parcel at a Time*



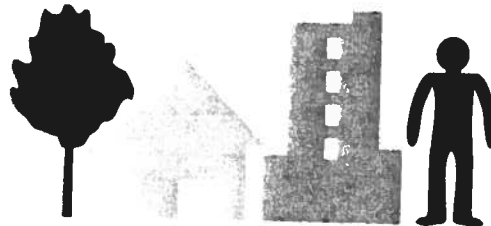
Prepared by the Michigan Land Bank, 11/5/2013  
Source: Michigan Land Bank Fast Track Authority;  
Michigan Geographic Data Library



*Strengthening Communities  
One Parcel at a Time*

## **A land bank is....**

A land management organization with a unique set of development tools used by local, county and state government to acquire and assemble, manage, and effectively dispose of property, including tax-reverted property in a coordinated manner to stabilize neighborhoods and foster economic growth.



## **PA 123 of 1999**

### **Revised the Tax Foreclosure Process**

- Foreclosure process down from 7 years to 2 years
- Property titled to county treasurer, rather than State, unless an Opt-In county
- Tax liens were eliminated and property is now sold at auction
- Allows for hardship postponements
- Judgment of clear title to Treasurer

## **Land Bank Fast Track Act**

### **PA 258 of 2003**

- Created the Michigan Land Bank Fast Track Authority
- Authorizes the Michigan Land Bank to enter into Inter-Governmental Agreements with counties and the City of Detroit to create their own land banks
- Allows for 90-day expedited quiet title actions
- Defines all tax-reverted land bank properties as Brownfields
- Allows for funding of land bank operations through a specific tax roll.
- Can sell, lease, demolish, maintain, rehab, and improve properties

## Michigan Land Bank's Mission

*To stimulate economic growth and community revitalization, in a strategic and progressive manner, by fostering creative partnerships and utilizing land bank tools to restore property to a productive use*



## Role of the Michigan Land Bank

- **Acquire and assemble** properties to support development and promote economic growth in Michigan.
- **Manage an inventory of surplus public property**, and act as coordinator of a state-wide public land database.
- Dispose of public property in a transparent manner that ensures that property development **positively contributes to communities**.
- **Authorize** the existence of county land banks, and **act as a resource** to other land banks.
- **Collaborate** with developers, non-profit organizations, economic and community development corporations, and state and local units of government on development projects

## Inventory at a Glance

Across the State, the Michigan Land Bank currently holds:

- A total of 12,252 total properties, most conveyed to MLB by the Department of Natural Resources (DNR) in 2004 and 2006
  - 11,345 of which are located in Wayne County
- Other higher volume areas include:
  - Mecosta County: 229
  - Genesee County: 120
  - Oakland County: 83
- Of the 10,748 parcels in Detroit, most are vacant lots and 400 structures are targeted for demolition with Hardest Hit Funds.

## The MLB Process:

How we get from **Point A** to **Point B**:

- **Develop partnerships** with state agencies, local land banks, community and economic development corporations, local units of government, and private developers
- **Identify properties** to be included in development projects (being strategic and proactive)
- **Utilize the MLB's unique set of development tools** to equip partners with the ability to return properties to productive use



## Partnerships and Properties

- ▶ DNR auctions and property sales
- ▶ Properties for housing development projects supported by MSHDA
- ▶ SEMCOG and green infrastructure projects, for community revitalization and workforce development
- ▶ Bank of America donations of mortgage-foreclosed properties and funds for demo



**Vacant Lot Greening Treatment**  
A Detroit Green Infrastructure Initiative



## NSP2 Partnerships with MSHDA, Cities and Land Banks

- Neighborhood Stabilization Program
  - Partnered with six cities:
    - City of Pontiac
    - City of Detroit
    - City of Hamtramck
    - City of Grand Rapids
    - City of Highland Park
    - City of Wyandotte



The Michigan Land Bank was part of a twelve city, seven land bank consortium that was awarded \$223 million in federal grant money, earning the following accolade:

***"This is not only the largest single grant we are making, it was the best single application we received...A remarkable, remarkable application."***

— HUD Secretary Shaun Donovan

MLB assisted each partner in acquiring properties, land banking, demolishing, and redeveloping structures within the identified target areas.

## **Pontiac NSP2: \$14.8 Million**

Completed in Unity Park:

- › 74 acquisitions and 44 demolitions
- › 18 new single family homes

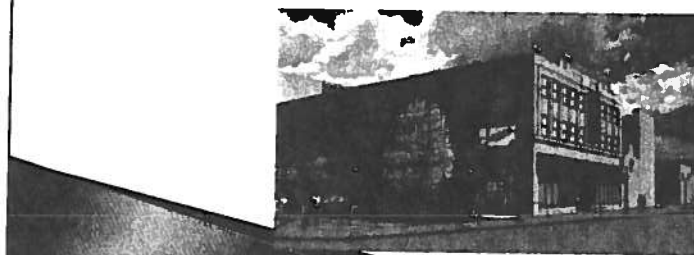
Downtown projects:

- › \$8.5M to two mixed-use, multi-family re-developments

Created 377 jobs, using 59 companies

Next for the City:

- › Developer just purchased additional 28 lots for new MSHDA project
- › MLB administering \$3.7M of Hardest Hit funds for demo



## **Demolition Project Management**

- › Providing project management and expertise for several large scale demolition projects
- › Removing blight to provide a clean start for sustainable community revitalization efforts
- › Implementing operational efficiencies and cost savings best practices through online procurement and record keeping
  - 30% overall costs savings, resulting in \$1M for additional demos
- › Meeting all environmental and safety requirements, in partnership with DEQ, LARA, MIOSHA
- › The MLB's strategic demolition program was hailed as a national model and is listed on HUD's website for best practices

## **\$15 Million Blight Elimination with 34 Grantees across Michigan**



- ▶ Awards range from \$10K to \$3.7M; for 888 units
- ▶ \$13.8M obligated by contract
- ▶ 20 grantees already operational (59%)
- ▶ Seven projects completed (21%)
- ▶ \$1.7M invoiced, another \$4M in invoices expected this month

## **Shiatown Dam**



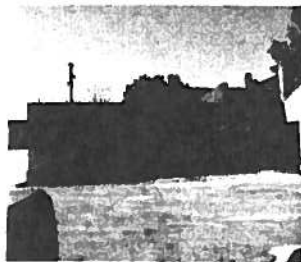
- Dam no longer serves any economic purpose, lost any recreational benefit due to poor water quality
- Preventative maintenance costly
- **Partners for planned removal include:**
  - Federal Gov't : US Wildlife and Fisheries provided a grant to fund the demolition
  - Shiawassee County: the dam is located within a county park
  - State Agencies: DNR and DEQ
  - Friends of the Shiawassee River , a local non-profit organization managing the grant

## Fairgrounds Redevelopment

- › Purchase Agreement for a total investment of over \$120 million in the community
- › Four phase, mixed use development
- › Community engagement and visioning sessions
- › Renovations and new homes for the Veterans Memorial and Grant House
- › Considerations for walkability, future transit plans, and sustainability



## Downtown Hart, Michigan



- Site of proposed senior housing project that was delayed for 5 years.
- Environmental Contamination existed at the site
- Developer at stalemate with funding required for demolition and clean-up activities
- MLB acquired the subject property in Feb. 2010 using NSP dollars
- MLB was able to bring necessary funding to the table and move project forward
- Facilitated demolition of building, removal of contaminated soil and site restoration
- MLB partnered with the City of Hart and the developer to move project forward



## EPA Revolving Loan Fund



- Cooperative Agreement through 9/30/2015
- \$1 million Revolving Loan Fund awarded by the United States Environmental Protection Agency
- Expected outcome is the beneficial reuse of brownfield properties (approximately three loans for cleanup of hazardous substances at eligible brownfield sites)
- Focus on commercial and industrial redevelopment that will generate new tax revenues and jobs
- Provides gap funding for clean-up that may not otherwise be available
- Allows for new taxes to be captured under Michigan's Brownfield TIF Program to repay the RLF loans.

## Macomb County, Michigan



- Proposed \$21.2M manufacturing development, adding 90 jobs
- County foreclosed on adjacent parcel of land necessary as only access to development site
- Foreclosure Judgment entered on April 2, 2012
- MLB exercised its Right of First Refusal on April 3, 2012, acquiring the parcel and conveying it to the developer in time for the deal to close
- Development would not have moved forward without this parcel

## **Michigan Land Bank Board of Directors**

- ▶ Deborah Muchmore – Chairperson
- ▶ Carl English – Vice-Chairperson
- ▶ Travis Jones
- ▶ Regina Bell
- ▶ Scott Woosley – Director, Michigan State Housing Development Authority
- ▶ Michael Finney - Pres./CEO, Michigan Economic Development Corporation
- ▶ Kevin Clinton – Michigan State Treasurer



▶ **[www.michigan.gov/landbank](http://www.michigan.gov/landbank)**